



Quality is Our Bottom Line

Insurance Committee Public Hearing

Thursday, February 16, 2012

Testimony of the Connecticut Association of Health Plans

HB 5009 AAC The Rate Approval Process For Certain Health Insurance Policies

Good afternoon, Senator Crisco, Representative Megna and members of the Committee. My name is Susan Halpin and I am here today to testify on HB 5009, AAC The Rate Approval Process For Certain Health Insurance Policies, speaking on behalf of the Connecticut Association of Health Plans, a membership organization representing all of the major health insurers in Connecticut.

The challenge of controlling costs in the health care sector is a national imperative as we go about the hard work of implementing federal health care reform. It is important to note that cost control does not come about via merely attempting to cap premiums or by deviating from accepted actuarial standards to set rates - premiums, and premium increases, are simply a reflection of underlying costs, and the hard work is in figuring out the systemic and behavioral change that will generate macro level change in costs. Having said that, there are things we can and should do.

As Commissioner Leonardi has said clearly, we have been working diligently on an approach to ensuring an important part of our mutual goal: that policyholders are well-informed about potential increases in insurance rates and plugged into the Department's process for review and comment on rate filings. This sounds simple, but as is the case with any complex system, it's not. But we're getting there.

We would urge the Committee to take no action on HB 5009, and further urge the Committee to permit the Department to do its work as it refines its already-robust system of rate review.